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*Attorneys for Debtors and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

**In re:**

**PG&E CORPORATION,**

**- and -**

**PACIFIC GAS AND ELECTRIC COMPANY,**

**Debtors.**

☐ Affects PG&E Corporation

☐ Affects Pacific Gas and Electric Company

☒ Affects both Debtors

*\* All papers shall be filed in the Lead Case, No. 19-30088 (DM).*

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*Attorneys for the Official Committee  
of Unsecured Creditors*

Bankruptcy Case No. 19-30088 (DM)

Chapter 11  
(Lead Case)  
(Jointly Administered)

**DECLARATION OF KEVIN J. ORSINI IN  
SUPPORT OF JOINT BRIEF OF DEBTORS AND  
THE OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS AND  
SUPPLEMENTAL STATEMENT OF THE PG&E  
SHAREHOLDERS CONCERNING THE  
APPLICABILITY OF INVERSE  
CONDEMNATION**

Date: November 19, 2019  
Time: 10:00 a.m.  
Place: United States Bankruptcy Court  
Courtroom 17, 16th Floor  
San Francisco, CA 94102

1 Pursuant to 28 U.S.C. § 1746, I, Kevin J. Orsini, hereby declare under penalty of perjury as follows:

2 1. I am a Member of Cravath, Swaine & Moore LLP (“**Cravath**”), counsel to Pacific Gas  
3 and Electric and PG&E Corporation (collectively, “**PG&E**” or the “**Debtors**”) in the above-captioned  
4 Chapter 11 Cases. I am admitted to practice in the State of New York and am admitted to practice  
5 before this Court *pro hac vice*. I submit this Declaration in Support of the Joint Brief of Debtors and  
6 the Official Committee of Unsecured Creditors and Supplemental Statement of the PG&E  
7 Shareholders Concerning the Applicability of Inverse Condemnation (the “**Motion**”). I have personal  
8 knowledge of the facts set forth in this declaration except as otherwise stated.

9 2. Attached hereto as Exhibit A is a true and correct copy of Governor Newson’s Strike  
10 Force Report titled “Wildfires And Climate Change: California’s Energy Future”, (the “**Strike Force**  
11 **Report**”), dated April 12, 2019.

12 3. Attached hereto as Exhibit B is a true and correct copy of a transcript of the relevant  
13 portions of the November 30, 2017 hearing of the California Public Utilities Commission (“**CPUC**”)  
14 that is posted on the CPUC’s website at [http://www.adminmonitor.com](http://www.adminmonitor.com/ca/cpuc/voting_meeting/20171116/)  
15 [/ca/cpuc/voting\\_meeting/20171116/](http://www.adminmonitor.com/ca/cpuc/voting_meeting/20171116/). I confirm that Exhibit B accurately transcribes the CPUC  
16 Hearing Video beginning at the 12:45 minute mark and ending at the 34:14 minute mark.

17 4. Attached hereto as Exhibit C is a true and correct copy of the Concurrence of President  
18 and Commissioner Michael Picker and Commissioner Martha Guzman Aceves with respect to the  
19 SDG&E Decision (the “**CPUC Concurrence**”).

20 5. Attached hereto as Exhibit D is a true and correct copy of the November 30, 2017,  
21 CPUC Decision Denying Application of San Diego Gas &Electric Company (“**SDG&E**”) for  
22 Authorization to Recover Costs Related to the 2007 Southern California Wildfires (Decision 17-11-  
23 033) (the “**SDG&E Decision**”).

24 6. Attached hereto as Exhibit E is a true and correct copy of the July 12, 2018, CPUC  
25 Order Decision Denying Rehearing of Decision 17-11-033 (Decision 18-07-025).

26 7. Attached hereto as Exhibit F is a true and correct copy of the *Final Report Of The*  
27 *Commission On Catastrophic Wildfire Cost And Recovery* (the “**Wildfire Commission Report**”)  
28 submitted by the Governor’s Office of Planning and Research, dated June 17, 2019.

1           8.       Attached hereto as Exhibit G is a true and correct copy of the article *Credit FAQ: Will*  
2 *California Still Have An Investment-Grade Investor-Owned Electric Utility?* published by S&P Global  
3 Ratings, dated Feb. 19, 2019.

4           9.       Attached hereto as Exhibit H is a true and correct copy of the article *S&P Downgrades*  
5 *PG&E Over Calif. Wildfire Risks* by Nephele Kirong, published by S&P Global Market Intelligence,  
6 dated February 26, 2018.

7           10.      Attached hereto as Exhibit I is a true and correct copy of the article *S&P, Moody's*  
8 *Downgrades PG&E, Pacific Gas And Electric Ratings On Wildfire Risks* by Nephele Kirong,  
9 published by S&P Global Market Intelligence, dated November 16, 2018.

10          11.      Attached hereto as Exhibit J is a true and correct copy of the article *PG&E Bonds Reach*  
11 *New Lows As S&P Cuts Five Notches To Junk* by Molly Smith and Natalya Doris, published by  
12 Bloomberg, dated January 8, 2019.

13          12.      Attached hereto as Exhibit K is a true and correct copy of Opening Brief of Pacific Gas  
14 and Electric Company for the Application of Southern California Edison Company (U338E) for  
15 Authority to Establish Its Authorized Cost of Capital for Utility Operations for 2020 and to Partially  
16 Reset the Annual Cost of Capital Adjustment Mechanism, filed September 30, 2019 (Application 19-  
17 04-014).

18          13.      Attached hereto as Exhibit L is a true and correct copy of Opening Brief of Southern  
19 California Edison Company for the Application of Southern California Edison Company (U338E) for  
20 Authority to Establish Its Authorized Cost of Capital for Utility Operations for 2020 and to Partially  
21 Reset the Annual Cost of Capital Adjustment Mechanism, filed September 30, 2019 (Application 19-  
22 04-014).

23          14.      Attached hereto as Exhibit M is a true and correct copy of Opening Brief of San Diego  
24 Gas & Electric for the Application of Southern California Edison Company (U338E) for Authority to  
25 Establish Its Authorized Cost of Capital for Utility Operations for 2020 and to Partially Reset the  
26 Annual Cost of Capital Adjustment Mechanism, filed September 30, 2019 (Application 19-04-014).

27          15.      Attached hereto as Exhibit N is a true and correct copy of *What is Cost of Capital*  
28 *(CoC)?* published by the CPUC.

1           16.     Attached hereto as Exhibit O is a true and correct copy of the May 30, 2019, CPUC  
2 Guidance Decision on Wildfire Mitigation Plans Submitted Pursuant to Senate Bill 901 (Decision 19-  
3 05-036).

4           17.     Attached hereto as Exhibit P is a true and correct copy of the San Diego Gas & Electric  
5 Company Prepared Supplemental Testimony of Concentric Energy Advisors Wildfire Risk Premium  
6 (AB 1054), dated August 1, 2019 (Application 19-04-017).

7                     I declare under penalty of perjury that, to the best of my knowledge and after reasonable  
8 inquiry, the foregoing is true and correct.

9  
10 Dated: October 25, 2019

11                                     /s/ Kevin J. Orsini

12                                     Kevin J. Orsini  
13                                     Cravath, Swaine & Moore LLP  
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